

## US EXECUTIVE APPROVAL FORM

**CUSTOMER NAME: Gap, Inc**

**PARTNER/VAD NAME:**

**SECTION I - Approval Requests:**

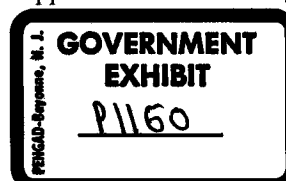
**HQAPP requests:**

1. Agreement Reference. Reference SLISA and the prior Gap Ordering Document from May 31<sup>st</sup> 2001. Only T&Cs to be displayed on this ordering document are those whose values or times have changed due to current transaction. All of the non-expired/relevant T&Cs are pasted below:
2. Add the following language to ordering document specifying that TeleService and EAM are not currently integrated. (This request is from Ron Wohl)

The Integration between EAM and Teleservice is not currently available in production release. If and when such Integration is made available in production release, Oracle shall deliver the Program to Customer pursuant to the Miscellaneous section. Customer has not relied on the potential availability of this Integration in entering into the payment obligations in this Ordering Document. Oracle is under no obligation to change current availability.

3. Restrict Teleservice and Advanced Inbound Programs to Gap's Real Estate and Procurement Organization.
4. The following language to be included in the new Ordering Document. It's substantially similar to the lanaguge from the May 2001 contract with only minor changes to update the naming conventions and conversion rations:

**Technical Support.** Technical Support consists of Update Subscription Service, Product Support and/or other Technical Support services Customer may have ordered. Fees for Technical Support are due and payable annually in advance. Technical Support is effective upon shipment or upon the Effective Date of this Ordering Document if shipment is not required. Technical Support services acquired with this order may be renewed annually and for the initial 3 renewal years the annual Technical Support fee will be \$848,758. Thereafter, the annual Technical Support fee for each of the subsequent 3 renewal years will not increase more than 5% over the prior year's fees. The Technical Support fees stated herein shall be for Technical Support services provided from Oracle to the following designated Customer location, where Customer's one internal 24x7 helpdesk and designated technical support contacts are located: \_\_\_\_\_. Centralized Technical Support services shall be provided to the designated Customer location in the local native language during the local country's normal business hours. Technical Support services provided outside of normal business hours shall be routed to Oracle's global support centers whereby Technical Support services shall be provided in English (except in countries where 24x7 Technical Support is made available locally). Customer acknowledges that Customer's internal helpdesk has the capability to provide front line support from the designated customer location to all Customer's international and domestic locations that require Technical Support services for the Programs licensed under this Ordering Document. Customer's technical contacts located at the designated Customer location shall be the sole contacts able to receive Technical Support services from an Oracle support center. In the event that service provided by an Oracle support center is disrupted and such Oracle support center is unable to respond to Technical Assistance Requests from customers, all such Technical Assistance Requests shall be routed to alternate Oracle support centers for response. For any Updates to the Programs provided under the Ordering Document, Oracle shall, upon Customer's request, deliver to the Customer Location provided herein one Update copy. Localized versions of the Updates shall be administered and delivered from the appropriate Oracle local country support center. Customer is responsible for contacting the appropriate local country support center to request a localized version copy of the Update. If Oracle cancels the Technical Support services previously ordered by Customer under this Ordering Document, no fees for Technical Support will be due for any future Technical Support services following the date of such



cancellation. If Customer has already paid fees for the canceled Technical Support services, Customer shall be entitled to a refund for the amount of such fees paid pursuant to the terms of the Agreement.

In accordance with Oracle's technical support policies, Customer shall have the right to terminate Product Support for issues related to the quality of such Product Support. Upon written notice to Oracle of Customer's desire to terminate such Product Support for such issues, Customer shall be entitled to a refund from Oracle for any fees paid by Customer for any unused Product Support within forty five (45) days after payment for such Product Support has been made by Customer. The amount of Product Support shall be calculated as 32% of the annual fees of Product Support and Update Subscription Service. Customer shall be entitled to a refund of unused support for termination under this paragraph regardless of whether Oracle's technical support policies at the time of such termination provide for such a refund.

**Reinstatement Policy.** Oracle Technical Support is available only at the time of acquisition of a Program license and is renewable from year to year. If Oracle Technical Support lapses or is terminated, it may not be reinstated or renewed. In order to reinstate Oracle Technical Support with respect to a particular Program license, Customer must reacquire such license. The fees for such new Program license will be the lesser of (a) the price as determined by any applicable contractual price hold in effect at the time the Program license is acquired, or (b) a fee to be negotiated in good faith by the parties at the time the Program license is acquired.

**Miscellaneous.** Customer acknowledges that Oracle has delivered to Customer Location for use in the Territory, 1 copy of the Programs, including 1 set of CD-ROM documentation, currently available in production release as of the Effective Date below ("Master Copy") pursuant to the following procedure: 1) On or before May 31, 2003 Oracle's consultant shall install the Master Copy of the programs on the hard disks(s) on 1 computer located at Customer Location from Oracle-owned media for the Programs to be provided by Oracle's consultant; such installation shall be performed by Oracle's consultant only and not by any of Customer's personnel; (2) upon completed installation of the Programs and presentation by Oracle's consultant, Customer shall execute the Installation Certificate attached to this Ordering Document; and (3) Oracle shall remove all Oracle-owned media for the Programs from the Customer Location, and Customer shall have no right to retain any such media or any copies thereof. Customer shall not be entitled to any replacement media for the Programs, other than Updates provided by Oracle under Oracle Technical Support as set forth in Section B.1. Customer acknowledges and agrees that Customer shall not receive any media for the Programs licensed as of the Effective Date and rights to receive media granted under the Agreement shall not be applicable to the Programs licensed under this Ordering Document as of the Effective Date. Further Customer acknowledges that such delivery method shall be applicable to Oracle's delivery obligations for the Master Copy and shall not be applicable to any delivery of Updates and/or Technical Support acquired under this Ordering Document; Customer shall be required to pay any applicable taxes related to the acquisition of such Technical Support as specified in the Agreement.

Pursuant to the above delivery procedure, Oracle shall not invoice Customer for sales tax based on the net license fees for the Programs licensed as of the Effective Date. Customer shall reimburse Oracle for any sales or use tax assessed by the State of California based on the net license fees for the Programs licensed as of the Effective Date.

For each Revenue - Type License of the Programs(s), Customer shall have the right to make as many copies of the Program(s), including Documentation, as Customer requires from the computer operating system on which the Programs have been installed by Oracle's consultant, and Customer shall be responsible for further installation of the software. All fees under this Ordering Document shall be due and payable net 30 days from the date of invoice, and shall be noncancellable and the sums paid nonrefundable, except as provided in the Agreement. Customer agrees to pay applicable use tax, media, and shipping charges. The following shipping terms shall apply: FOB Shipping Point, Prepaid and Add. For purposes of this Ordering Document, the terms "Prepaid and Add" shall mean that Oracle shall pay the applicable freight charges to the applicable carrier and shall add the applicable freight charges to Customer's invoice. These terms shall also apply to any options exercised by Customer. For purposes of this Ordering Document,

Applications and/or Tools Programs may also include any source code Oracle may provide as part of its standard shipment of such Programs, which source code shall be governed by the terms of the Agreement.

Additional Programs may be included with Customer's order which Customer may use for trial purposes only. Customer shall have 30 days from the delivery date to evaluate these Programs. Any use of these Programs after the 30 day trial period shall require Customer to obtain the applicable license. Programs licensed for trial purposes are provided "as is" and Oracle does not provide Technical Support or any warranties of any kind for these Programs.

A copy of Oracle's Definitions and General Licensing Rules is attached hereto and incorporated by reference.

**Extended Maintenance Support:**

Extended Maintenance Support. Extended Maintenance Support ("EMS") is the continuance of full support services after a product has been desupported. EMS is available for purchase at the end of the desupport notification period. It provides error correction for new problems and backports. EMS is appropriate for customers who are using, or planning to use desupported products to operate mission critical systems that have a low tolerance for software errors. It is also appropriate where changes in the applications, the number of users or the platform are anticipated.

EMS is available only for the terminal (the last full release for a version) release of only the Data Server products, such as Oracle 7.3.4. Following product desupport, customers must purchase the EMS option from Oracle in order to receive ongoing development support.

EMS does provide development support for software errors until customers can migrate to a currently supported product. EMS is provided for a limited time (typically 24 months) to allow the customer more time for planning and migration to a supported product.

Technical Assistance for supported customers with the EMS option includes:

- Answers to customer questions and queries
- Workarounds, where possible
- Assistance with migration plans to supported products
- Software error correction support
- Backporting of fixes
- Escalation support, response time adherence and skill availability

EMS does NOT provide:

Certification with supported products, new operating system releases or new compilers

**Segmentation.** The Program licenses provided in this Ordering Document are offered separately from any other proposal for consulting services Customer may receive or has received from Oracle, and do not require Customer to purchase Oracle consulting services.

**Additional Licenses.** For a period of 4 years from the Effective Date of this Ordering Document, Customer may acquire additional licenses of the Programs specified below in the License Increments specified, provided such Programs are available in production release when ordered, by paying Oracle the designated license fees. Customer may also acquire first year Technical Support for such Programs by paying Oracle the specified below fees; thereafter, Customer may acquire Technical Support for such Programs under Oracle's Technical Support fees and policies in effect when an order is placed. Upon Customer's exercise of this option, where shipment is required, Oracle shall deliver the Programs to Customer pursuant to the Miscellaneous section above.

For purposes of this Section C.5, the calculation of "Revenue" shall include Inorganic Growth Revenue and Organic Growth Revenue.

"Organic Growth Revenue" is defined as Customer's annual Revenue (as defined in Section D.1) excluding Inorganic Growth Revenue as defined below.

"Inorganic Growth Revenue" is defined as Customer's Revenue that is attributable to or resulting from the acquisition of (1) other wholly owned or majority subsidiaries or affiliates, (2) joint ventures in which Customer participates in directly or indirectly in which Customer has a majority interest, and (3) any majority interest in privately held companies (collectively, "Acquisitions").

Customer shall notify Oracle in writing of the amount of Customer Inorganic Growth Revenue that is attributable to or resulting from an Acquisition within 30 days after the closing of such Acquisition.

In each year Customer must pay any license fees due for any additional Program licenses required as a result of Organic Growth Revenue and Inorganic Growth Revenue as set out below following the release of the Customer's annual report, 10K, or, if Customer fails to issue an annual report or to file a 10K, as reported in such similar report provided for the benefit of shareholders, the Securities Exchange Commission, or other governmental regulatory agencies that provides the information necessary to calculate the Organic Growth Revenue or Inorganic Growth Revenue experienced for the prior year.

If an entity that is the subject of an Acquisition is operated by Customer as a separate and independent business unit and does not access or use the Oracle Programs (such entity an "Independent Business Unit"), Customer shall not be required to pay Oracle any additional license fees for any additional Program licenses for the portion of Customer's Inorganic Growth Revenue that is attributable to or resulting from such Independent Business Unit, provided that (a) Customer provides written notice to Oracle that such entity during the relevant period is or was an Independent Business Unit and (b) the Inorganic Growth Revenue for such Independent Business Unit is identified as a separate line item in Customer's annual report or 10K, or, if Customer fails to issue an annual report or to file a 10K, as reported in such similar report provided for the benefit of shareholders, the Securities Exchange Commission, or other governmental regulatory agencies. As soon as (i) such Independent Business Unit accesses or uses the Oracle Programs or (ii) the Inorganic Growth Revenue for such Independent Business Unit is no longer identified as a separate line item in Customer's annual report or 10K, or, if Customer fails to issue an annual report or to file a 10K, as reported in such similar report provided for the benefit of shareholders, the Securities Exchange Commission, or other governmental regulatory agencies, Customer must pay any license fees due for any additional Program licenses required as set out below following the release of Customer's annual report or 10K, or, if Customer fails to issue an annual report or to file a 10K, as reported in such similar report provided for the benefit of shareholders, the Securities Exchange Commission, or other governmental regulatory agencies that describes such Inorganic Growth Revenue. Such license fees will be calculated based on Inorganic Growth Revenue from the first day of the financial year in which the earlier of either of the following occur: (1) such Independent Business Unit accesses or uses the Oracle Programs or (2) the Inorganic Growth Revenue for such Independent Business Unit is no longer identified as a separate line item in Customer's annual report or, 10K, or, if Customer fails to issue an annual report or to file a 10K, as reported in such similar report provided for the benefit of shareholders, the Securities Exchange Commission, or other governmental regulatory agencies. All such license fees shall be due and payable net 30 days from date of invoice, and shall be noncancellable and the sums paid nonrefundable.

All increases in Net Sales (as defined in Section D.3 below) due to Inorganic Growth in a year of the term shall, for each subsequent year of the term and for the purpose of calculating the revenue-based license fees due Oracle for such subsequent years, be deemed to have been an increase to the Organic Growth for such earlier year. As an example: Assume that in year 2 Customer experiences \$2 Billion of Organic Growth Revenue and \$1 Billion of Inorganic Growth Revenue over and above year 1 Net Sales of \$15 Billion. In determining the revenue-based license fee due for year 3, the Organic Growth Revenue for year 2 that is used for the calculation of the revenue-based license fee will be \$18 Billion (\$15 Billion + \$2 Billion + \$1 Billion). If an entity that is the subject of an Acquisition owns, as of the date of such Acquisition, Program licenses for any of the Oracle Programs that are set forth in this Section C.5, Customer shall receive a credit in the amount of the lesser of (i)

seventy-five percent (75%) of the Net License Fees (as defined below) paid for such Oracle Programs by the entity towards the Program license fees due for additional Program licenses required as a result of the applicable Inorganic Growth Revenue or (ii) the amount of the one-time Inorganic Growth Revenue attributable to such entity, provided the invoices for the Program licenses owned by the entity that is the subject of an Acquisition have been paid in full. For purposes of this Section C.5, "Net License Fees" shall mean license fees paid under the applicable ordering document. The amount of any credit Customer receives under this Section shall not exceed the amount of any Program license fees due as a result of Inorganic Growth Revenue and Customer shall not be entitled to any refunds of any Program license fees due as a result of Inorganic Growth Revenue. Any credit applied under this Section must be applied within the fiscal year following an Acquisition resulting in Inorganic Growth Revenue.

In the event that Customer is the subject of an acquisition or merger in which Customer is not the sole surviving entity, as of the date of such acquisition or merger (the "Acquisition Date"), the surviving entity ("Surviving Entity") shall have ninety (90) days to determine whether to continue using the Oracle Program licenses and must provide written notice to Oracle of such determination. If the Surviving Entity provides written notice to Oracle that it wishes to continue to use the Oracle Program licenses, the Surviving Entity shall have ninety (90) days to convert such Revenue License Types to Program license types using Oracle's current licensing metrics and shall be given a credit in the amount of the Net License Fees paid for the applicable Program licenses towards the acquisition of Program licenses consistent with Oracle's then current pricing and licensing metrics. If the Surviving Entity notifies Oracle that it does not wish to continue using the Oracle Programs, for up to two years from the Acquisition Date, the Surviving Entity shall be permitted to continue to use the Program licenses while the Surviving Entity transitions to other non-Oracle programs, provided (a) the Surviving Entity continuously maintains Technical Support for Program licenses, (b) Customer is current on all Program license fees owed to Oracle as of the Acquisition Date; and (c) the Program licenses are not used or accessed by any entity other than the entity which formerly was known as Customer.

The portions of the Revenue-based license fee attributable to Organic Growth Revenue and those attributable to Inorganic Growth Revenue for each year shall be calculated as follows:

(a) Organic Growth Revenue: the Revenue-based license fee attributable to Organic Growth Revenue shall be an amount equal to (amount to be determined at .5629% of net license for this bundle) for each \$1Billion of Net Sales as set forth below in such year in excess of the Net Sales for the immediately preceding fiscal year. For each year in which Customer's actual Net Sales are less than the highest Net Sales achieved by Customer to date, the Net Sales to be used as such year's Net Sales in calculating Organic Growth Revenue due for such year (i.e. to be compared against Net Sales of the immediately prior year) shall be equal to the highest Net Sales achieved by Customer to date.

(b) Inorganic Growth Revenue: subject to the seventh paragraph of this Section C.5, the Revenue-based license fee attributable to Inorganic Growth Revenue shall be equal to (amount to be determined at 4.5% of net license for this bundle) per \$1Billion of Gross Sales of the target company in the last full fiscal year of such company immediately preceding the Acquisition. Such Gross Sales will (as defined in Section D.2) be determined by reference to the Gross Sales in the target company's annual report or 10K, or, if the target company does not report to the Securities Exchange Commission, to the Gross Sales in the target company's applicable audited financials.

The fee payable shall equal the sum of the amounts in clauses (a) and (b) above. In addition, Customer shall pay Technical Support fees as set forth below.

#### NEED TO DETERMINE PROPER TRUE-UP AMOUNTS

**Conversion Option.** On the date that is 3 years from the Effective Date, provided (i) Customer has continuously maintained Technical Support; and (ii) Customer has paid all undisputed fees due under this Ordering Document in full, Customer shall have a one time option to convert the Revenue License Type Program licenses to the License Types of the Programs licenses listed below in accordance with the conversion

ratio set forth herein. For purposes of this Conversion Option, each \$1 Billion of Revenue (as defined below) equals the following number of the License Types of the Programs specified below.

<u>Existing Product</u>	<u>Converts To</u>	<u>License Type</u>
1 Billion Revenue Project Collaboration	52 Application User	Project Collaboration
1 Billion Revenue Project Management	52 Application User	Project Management
1 Billion Revenue Project Resource Manager	52 Person	Project Resource Manager
1 Billion Revenue CAD View 3D	52 Application User	CAD View 3D
1 Billion Revenue EAM	52 Application User	EAM
1 Billion Revenue Sourcing	7 Application User	Sourcing
1 Billion Revenue Service Contracts	34 Application User	Service Contracts
1 Billion Revenue Inventory Management	17 Inventory User	Inventory Management
1 Billion Revenue Human Resources	11655 Person	Human Resources
1 Billion Revenue Advanced Benefits	11655 Person	Advanced Benefits
1 Billion Revenue Self Service HR	11655 Person	Self Service HR
1 Billion Revenue Teleservice	7 Application User	Teleservice
1 Billion Revenue iSupport	0 Processor	iSupport
1 Billion Revenue Advanced Inbound	7 Work Station	Advanced Inbound
1 Billion Revenue Field Service	52 Field Technician	Field Service
1 Billion Revenue Mobile Field Service	52 Field Technician	Mobile Field Service

**Additional Licenses for Conversion Option.** Provided Customer exercises the Conversion Option per Section C.9 above, for a period of 3 years from the date Customer exercises such option, Customer may acquire additional licenses of the Programs specified below in the License Increments specified, provided such Programs are available in production release when ordered, by paying Oracle the designated license fees. Customer may also acquire first year Technical Support for such Programs by paying Oracle the appropriate fees; thereafter, Customer may acquire Technical Support for such Programs under Oracle's Technical Support fees and policies in effect when an order is placed. Upon Customer's exercise of this option, where shipment is required, Oracle shall deliver the Programs to Customer pursuant to the Miscellaneous section above. Each order placed pursuant to this section must be at least \$100,000 in net license fees. Any relevant purchase minimums will apply to orders placed under this Section C.10.

Program	License Type	Increment	License Fee	1 <sup>st</sup> year Tech Support Fee
Project Collaboration	Application User	1	47	10
Project Management	Application User	1	127	28
Project Resource Manager	Person	1	31	7
CAD View 3D	Application User	1	159	35
EAM	Application User	1	959	211
Sourcing	Application User	1	1,279	281
Service Contracts	Application User	1	959	211
Inventory Management	Inventory User	1	639	141
Human Resources	Person	1	3	1
Advanced Benefits	Person	1	3	1
Self Service HR	Person	1	2	1
Teleservice	Application User	1	639	141
iSupport	Processor	1	8,000	1,760
Advanced Inbound	Work Station	1	159	35
Field Service	Field Technician	1	479	105
Mobile Field Service	Field Technician	1	159	35

**Revenue.** For purposes of this Ordering Document, the License Type referred to as Revenue is defined as a license to Customer for use of the noted Program(s) by the total number of individuals authorized by Customer to use the Programs for each US \$1Billion of the customer's total Net Sales for the fiscal year as reported in the Customer's annual report or 10K, or, if Customer fails to issue an annual report or to file a 10K, as reported in such similar report provided for the benefit of shareholders, the Securities Exchange Commission, or other governmental regulatory agencies.

**Gross Sales.** For purposes of this Ordering Document, "Gross sales" for a specified entity shall mean total sales at invoice values, not reduced by customer discounts or allowances or other adjustments.

**Net Sales.** For purposes of this Ordering Document, Net Sales shall mean Customer's Gross Sales, determined as follows: in each fiscal year, the amount of net Sales shall be the amount identified as net sales and listed in the first line on Customer's Consolidated Statement of Earnings Report as calculated in the Customer's 10K for such fiscal year (which for fiscal year 2003 was approximately \$14.5 billion and which, for any other fiscal year, shall be such comparable number for such year.

**Previously Approved May 16, 2003:**

**HQAPP Requests:**

1. Bundled Pricing for the applications below. Licenses to be "Revenue" license type. Worst-case blended discount of 91% after all JEs based on standard pricing and user counts with growth built in. To be positioned as a custom e-business suite for GAP SVP of Facilities and Purchasing Greg Poole.
  - a. Details:
    1. 91% blended discount is worst case and breaks down as follows:
      1. 84% on Applications except HR
      2. 94% on HR products
    2. License to be "Revenue" license type. Same as the May 2001 deal.
    3. Product pricing configuration below. This is the basis for Revenue license type.
    4. \$3,218,885 Worst case net license after all JEs.
      1. JE's as follows
        - a. \$300k in Financing
        - b. \$100k in EMS Support for 1 year
        - c. \$105,200 for Annual True Up on May 2001 deal, calculated as follows:
          - i. 2001 Rcvnue: \$13.7B, 2003 Revenue: \$14.5B, Growth = \$.8B
          - ii. Fee per Billion in growth: \$131,500, percentage applied: 80%

<u>Product</u>	<u>Price</u>	<u># of units</u>	<u>Oracle License</u>	<u>List License</u>	<u>Discount</u>	<u>Net License</u>
Project Collaboration	295	750	Application User	\$221,250	84%	\$35,400
Project Management	795	750	Application User	\$596,250	84%	\$95,400
Project Resource Manager	195	750	Person	\$146,250	84%	\$ 23,400
CAD View 3D	995	750	Application User	\$746,250	84%	\$119,400
EAM	5,995	750	Application User	\$4,496,250	84%	\$719,400
Sourcing	7,995	100	Application User	\$799,500	84%	\$127,920
Service Contracts	5,995	500	Application User	\$2,997,500	84%	\$479,600
Inventory Management	3,995	250	Inventory User	\$998,750	84%	\$159,800
Human Resources	50	169,000	Person	\$8,450,000	94%	\$ 549,250
Advanced Benefits	40	169,000	Person	\$6,760,000	94%	\$ 439,400
Self Service HR	35	169,000	Person	\$5,915,000	94%	\$384,475
Teleservice	3,995	100	Application User	\$399,500	84%	\$63,920
iSupport	50,000	4	Processor	\$200,000	84%	\$32,000
Advanced Inbound	995	100	Work Station	\$99,500	84%	\$15,920
Field Service	2,995	750	Field Technician	\$2,246,250	84%	\$ 359,400
Mobile Field Service	995	750	Field Technician	\$746,250	84%	\$119,400

**Total: \$3,724,085**

This is a **Worst Case Discount** and we will draft contracts and submit proposal to the customer at an 90% blended discount and expect a \$3.5M net license transaction after internal journal entries for:

2. Ala Carte Pricing for the applications below. Licenses to be "Revenue" license type. Worst-case discount of 60%.
  - a. Pricing is positioned as the "June Deal" for comparison purposes.
  - b. Product pricing configuration. This is the basis for Revenue license type.
  - c. Net license \$4,640,800. No JEs offered.

<b>Product</b>	<b>Price</b>	<b># of units</b>	<b>Oracle License</b>	<b>List License</b>	<b>Discount</b>	<b>Net License</b>
Project Collaboration	295	750	Application User	\$221,250	60%	\$88,500
Project Management	795	750	Application User	\$596,250	60%	\$238,500
Project Resource Manager	195	750	Person	\$146,250	60%	\$58,500
CAD View 3D	995	750	Application User	\$746,250	60%	\$298,500
EAM	5,995	750	Application User	\$4,496,250	60%	\$1,798,500
Service (TeleService)	3,995	100	Application User	\$399,500	60%	\$159,800
Sourcing	7,995	250	Application User	\$1,998,750	60%	\$799,500
Service Contracts	5,995	500	Application User	\$2,997,500	60%	\$1,199,000
<b>Total:</b>						<b>\$4,640,800</b>

3. Load and Leave delivery.
4. 3 Year flat-line Support at 0%, plus 2 years at 5% per year.

## SECTION II – Deal Summary:

<b>Deal Summary</b>	
Programs	Detailed above
License Discount	76.85% (ebiz + 66%)
Support Discount	76.85% (ebiz + 66%)
Comp & Admin Discount	N/A
Phased Implementation for Comp & Admin?	N/A
Subset of Users	N/A
Support Options/Holds	3 Year at 0% increase
Price Holds	3 Year Price Hold
List License	\$35,818,500.00
List Support	\$ 7,880,070.00
List Comp & Admin	N/a
Net License	\$3,218,885
Net Support	\$708,154
Net Comp & Admin	N/A
Net Total Price	\$3,927,039
Price List Used	March 24th, 2003

<b>Customer History - Existing Price Holds</b>	
Existing contractual discount (price hold)	N/A
Date of Price List for price hold	



When does price hold expire?	
Price hold program categories (database, server, erp, crm, hr/payroll, app suite)	
Name of Agreement if applicable	

**SECTION III - Justification:****Justification for New Requests:**

1. Gap and Oracle put several weeks of negotiations into the prior ordering document. Gap would like to keep all of their agreements with Oracle consistent under the same terminology. Additionally, Gap does not have the bandwidth to start re-negotiating from scratch and execute a transaction by May 31<sup>st</sup>.

The current ordering document contains a lot of language defining a Revenue Based metric, annual true ups and what would happen if Gap was acquired or if Gap acquired another entity. The agreement also defines conversion ratios if Gap were to convert from a Revenue Metric to Named User. We would need HQAPP's help in calculating this conversion ratios as was done in the prior transaction.

2. Ron Wohl has requested that we add this language so the customer clearly understands these two products are not yet integrated. (provided no rev-rec issues)
3. Although this transaction is revenue based we want to place parameters around the use of TeleService and Advanced Inbound so that the products can only be used in the Real Estate Organization. We believe there is future opportunity in Gap's call center operation and want to protect future revenue.
4. Gap owes Oracle for their true-up want specified on the same OD
5. EMS JE already approved in prior. Want to state on the ordering document that EMS is provided for XXX users without showing costs associated.

**Previous Justification:**

1. Bundled applications pricing for custom e-business suite.

**Justification:** Gap has expressed a desire to move to the eBusiness Suite. After running a migration and understanding Gap's ability to spend by May, we would be giving away too much software and future revenue for Oracle by doing an eBusiness Suite Migration for the amount Gap has budgeted.

Under this method, we are creating a custom bundle for only the products that Gap would use. Additionally we have given an additional larger discount on HR Applications to seed them with the modules to encourage the Gap to move to Oracle HR rather than Upgrade to PeopleSoft 8.0. By giving them these products we have put the Gap on par with what they already own from PS and have left future revenue through iRecruitment, iLearning and Training Admin.

The custom eBusiness we are proposing would include the following modules:

Project Collaboration, Project Management, Project Resource Manager, CAD View 3D, EAM, Sourcing, Service Contracts, Inventory Management, Human Resources, Advanced Benefits, Self Service HR, Teleservice, iSupport, Advanced Inbound, Field Service, Mobile Field Service

Ron Wohl has verbally approved this discount and bundle and we will be forwarding his email approval.

The buy down of EMS Support and Financing is a one-time event.

Gap's prior license agreement was based upon a revenue-based metric and this is how the Gap would like to continue. Current revenue is \$14.5 Billion and Gap pays an annual true-up based on \$1B in revenue growth. We would need to recalculate the required true up based on this new deal.

2. 60% discount on "ala carte" pricing for a transaction in June.

**Justification:** Customer does not really want to purchase this way, as it is too much to track and manage. We are requesting this discount to show the Gap a side-by side comparison if what these modules will cost them if they do not do the transaction in May via eBusiness Suite.

3. Load and Leave

**Justification:** This is consistent with prior business practice with the Gap. Prior transaction was Load and Leave with install certificate. Customer's strategy is to avoid Sales Tax.

4. 3 Year Flat Lined Support at 0% and not to increase by more than 5% in 2 subsequent years.

**Justification:** Customer current agreement has this clause and current support stream is \$3,900,000. With this transaction, Gap will be paying us \$4,600,000 annually. Customer needs to set budget for total 5 year life of project and needs to budget for total cost, not only license.

**Recommendation:** *(leave blank for HQAPP to fill out)*

**Submitted By:** Strategic Accounts, VP Steve Wellen 713 750 5097, RM Jim Rooney 425 637 3232, AM Scott Rosecranz 650 506 5440, AM Elizabeth Baker 650 506 0901

R: *(leave blank for HQAPP to fill out)*

C:

L:

A:

BP:

\*\*\*\*\*

**PLEASE NOTE THAT HQAPP WILL NOT REVIEW ANYTHING BELOW AND NOTHING BELOW WAS CONSIDERED FOR THEIR APPROVAL. ONLY DETAILS IN THE REQUEST SECTION (SECTION I) ABOVE WERE CONSIDERED IN THE APPROVAL GRANTED.**

**SECTION V – Ordering Document Details****Instructions - Fill in all sections completely.**

**APPROVAL REQUIREMENTS** - Refer to the Approval Matrix at <http://esource.oraclecorp.com>

**PRICING REQUIREMENTS** – Refer to Price List and Price List Supplement for minimums and prerequisites.

**PRICING SPREADSHEET** – Include a pricing spreadsheet showing all products, quantities, license types, pricing, and discounts. Indicate if discount for drafting contract differs from approved discount.

**MIGRATIONS** - If your deal contains a migration, you must submit a Migration Worksheet to the ELM (eBusiness License Migrations) team. Refer to <http://nafo.us.oracle.com> under the Contract Management tab and e-Business License Migrations header to download the spreadsheet and for additional information.

**Note: All business approvals & quotes are valid through the quarter they were approved, unless a formal RFP or Tender requires a longer validity period.**

General Information	
Contract requested by (insert date): After all approvals are obtained - Allow 24 hours for standard contracts and 48 hours for non-standard contracts.	5/20/03
Opportunity I.D. (OSO Number):	935871
Is this a ship order?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Deal Structure (indicate Direct, Pass-Through, Sublicense, or Trial License):	Direct
Is this deal the result of a compliance issue that LMS has been involved in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does deal contain new licenses with an <i>approved</i> non-supported license type (i.e. metric is not nor ever has been on Oracle's price list):	<input checked="" type="checkbox"/> Yes (specify non-supported license type and eBusiness license type used to determine conversion) No
Quote Valid Through (insert date):	
Partner (insert name, if applicable)?	Margin or % of net license fees _____
VAD (insert name, if applicable)?	Margin or % of net license fees _____
PARTNER PAYMENT: If this is a direct deal, does it involve a Partner Referral Fee?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, specify payment type:	<input type="checkbox"/> Applications Affiliate Fee <input type="checkbox"/> ROP Fee ( <i>GB Use Only</i> )
MIGRATIONS OR UPDATES:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
PREMIUM SERVICES:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
INCIDENT PACKS:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
INTERNATIONAL: Requires an International Notification Form to be forwarded to your manager, contract specialist, and NASINFO or OGEHINFO.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Payment Terms:	<input type="checkbox"/> Net 30 <input checked="" type="checkbox"/> Other (Specify) PPA
Referenced Agreement:	<input type="checkbox"/> New OLSA <input type="checkbox"/> Other (Specify)

Customer and Administrative Information – all fields must be filled in	
<b>Customer's EXACT Legal Name:</b>	<b>Gap Inc</b>
Business Address:	850 Cherry Ave
City / State / Zip:	San Bruno, Ca
Customer Contract Admin:	Diego Beltrami
Phone #:	650-952-4400
Fax #:	
E-mail ID:	Diego_Beltrami@gap.com
<b>Billing Contact:</b>	<b>Diego Beltrami</b>
(Partner/VAD if Indirect):	
Address:	850 Cherry Ave
City / State / Zip:	San Bruno, Ca
Phone #:	650-952-4400
Fax #:	
E-mail ID:	Diego_Beltrami@gap.com
Tax Status :	Exempt ____ (Need certificate for ship to state if not on Oracle's Tax Exemption Log)
	Non-Exempt ____
<b>Shipping Contact:</b>	<b>Diego Beltrami</b>
Address:	850 Cherry Ave
City / State / Zip:	San Bruno, Ca
Phone #:	650-952-4400
Fax #:	
E-mail ID:	Diego_Beltrami@gap.com
<b>Technical Support Contact:</b>	<b>Diego Beltrami</b>
Address:	850 Cherry Ave
City / State / Zip:	San Bruno, Ca
Phone #:	650-952-4400
Fax #:	
Email ID:	Diego_Beltrami@gap.com
<b>Partner Name (Indirect):</b>	
Address:	
City / State / Zip:	
Contact Admin:	
Phone #:	
Fax #:	
E-mail ID:	

Education (EPPC)	
Education Prepaid Credit Amount:	\$ _____
Education Discount:	_____ %
Education Revenue:	\$ _____
Education Sales Rep:	

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**PROCESSOR/NAMED USER PROGRAMS/COMPUTER PROGRAMS (REQUIRED INFORMATION)**

Make and Operating System required for each program:

Make:

OS:

PROGRAMS:

.....

Applications		
Will applications be modified:	Yes	<input checked="" type="checkbox"/> No
Will users be accessing modified Apps from the web:	Yes	<input checked="" type="checkbox"/> No
Have all prerequisites been included:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Will users use Fast Forward RPM:	Yes	<input checked="" type="checkbox"/> No
Will applications be hosted:	Yes	<input checked="" type="checkbox"/> No
Indicate database that Apps will run on:		
Indicate CSI for existing prerequisite database and tools:		

Options not requiring HQAPP, Tier 1, or Tier 2 Approval	
(1)	Segmentation Language
(2)	
(3)	
(4)	

Internal Administrative Information	
Applications Sales Manager	Scott Rosecrans
Technology Sales Manager	Luke Siegfried
Account Manager	
OracleDirect Rep	Warren Parti
Education Sales Rep	
Support Renewals Rep	Michelle Buono
Premium Support Rep	
Migrations Manager	Matt Kocina
Is there a teaming agreement?	<input checked="" type="checkbox"/> Yes Elizabeth Baker/Laith Frangoul (50%) <input type="checkbox"/> No
Requester:	Name: Scott Rosecrans Business Telephone: 650-506-5440 Cell Phone: 415-308-1813